Government of Saskatchewan
Ministry of Finance

Information Bulletin

PST-70 **Issued: November 2005** **Revised: December 2014**

Was this bulletin useful?
Click here to complete our short
READER SURVEY

THE PROVINCIAL SALES TAX ACT

PST EXEMPTION ON NEW ENERGY STAR® QUALIFIED FURNACES, BOILERS AND HEAT PUMPS

This bulletin has been prepared to help you understand the application of the Provincial Sales Tax (PST). It is intended as a general guide and is not a substitute for the legislation.

Revisions to this bulletin are indicated by a bar (|) in the left margin.

The PST exemption for qualifying energy-efficient residential furnaces, boilers and energy-efficient heat pumps which was scheduled to conclude on March 31, 2007, has been extended indefinitely. For the period beginning November 8, 2005, qualifying energy-efficient furnaces and boilers are exempt from PST if purchased or leased for a continuous period of one year or more. For the period beginning July 1, 2006, qualifying ground and air source heat pumps, are exempt from PST if purchased or leased for a continuous period of one year or more.

What Qualifies?

New forced-air furnaces, boilers and ground and air source heat pumps qualify for an exemption from PST if, at the time of purchase or lease, they are listed as "ENERGY STAR®[1] Qualified" by the Office of Energy Efficiency, Natural Resources Canada. A listing of the qualifying furnaces, boilers and ground and air source heat pumps that are ENERGY STAR® qualified may be found on the Natural Resources Canada website at http://www.nrcan.gc.ca/energy/products/energystar/12519. This list provides information on the brand names and model numbers of qualifying furnaces, boilers and ground and air source heat pumps. The list is made up of energy-efficient units that are normally used for residential purposes. A qualifying unit does not need to be installed in a residence in order to be eligible for the tax exemption.

The exemption applies to all parts and equipment that form part of the qualified unit as supplied by the manufacturer or system installer at the time of purchase or installation. The exemption does not include ground loop piping or circulating pumps, back-up electrical elements and heat distribution systems such as in-floor tubing or ductwork used to circulate air in a house or thermostats. Parts or repair services provided after that time are not eligible for the exemption.

[1] The ENERGY STAR® mark is administered and promoted in Canada by Natural Resources Canada and is registered in Canada by the United States Environmental Protection Agency.

When Does the Exemption Apply to a Purchase?

The effective date of the exemption for qualifying furnaces and boilers is November 8, 2005, and for qualifying ground and air source heat pumps the effective date is July 1, 2006. The exemption applies to all eligible purchases that occur on or after those dates.

The exemption applies to a qualifying furnace, boiler or heat pump that is:

- purchased on or after the effective date; or
- ordered before the effective date, with or without a deposit, and paid for and delivered after the effective date, unless title passed before the effective date.

The exemption does not apply to a furnace, boiler or heat pump that is:

- purchased before the effective date;
- purchased by credit card or billed to a credit account before the effective date, regardless of when that credit charge is paid or when delivery occurs; or
- in all other situations where title or possession passed before the effective date.

When Does the Exemption Apply to a Lease?

The exemption applies to leases for qualifying furnaces and boilers that are entered into on or after November 8, 2005, and for qualifying heat pumps that are entered into on or after July 1, 2006.

The exemption does not apply to lease payments that were paid or become payable after the effective date if the lease was entered into before November 8, 2005, for qualifying furnaces and boilers; or July 1, 2006, for qualifying heat pumps.

FOR FURTHER INFORMATION

Write:	Ministry of Finance Revenue Division PO Box 200 REGINA SK S4P 2Z6	Telephone:	Toll Free 1-800-667-6102 Regina 306-787-6645
		Email:	sask.tax.info@gov.sk.ca
In-Person:	Ministry of Finance Revenue Division 2350 Albert St REGINA SK S4P 4A6	Fax:	306-787-9644

Internet: PST Bulletins, forms and information are available on the Internet at:
http://www.finance.gov.sk.ca/taxes/pst

To receive automatic email notification when this or any other bulletin is revised, go to www.finance.gov.sk.ca/taxes, click on the "What's New" information then click on the "subscribe" button.